Source: Idaho Statesman (Boise)

Author: 2/13/2005

Opinion: Use debt wisely for road plan

Opnion: The Idaho Statesman

New and rebuilt highways will save lives, speed up the daily commute, bolster tourism and help businesses move their products. They're a wise investment. Idaho should borrow \$530 million to complete the most pressing work in Gov. Dirk Kempthorne's highway plan. We support long-overdue widening projects on North Idaho's U.S. 95, and two new highways: extending Idaho 16 from Emmett to Interstate 84, and the controversial but needed Indian Valley highway.

Kempthorne wants more: an aggressive \$1.6 billion road map he calls "Connecting Idaho." His bold plan champions some urgent needs, includes a few lower-priority projects and advances some worthy ideas that the state should pursue piece by piece, without going deeper into debt.

Savvy consumers use debt only for big purchases they need and can't otherwise acquire â€" such as a house or a car. Idaho lawmakers should use their borrowing power just as wisely.

The top priorities

In analyzing Kempthorne's plan, we've selected projects that will do the most to improve safety and spur the economy. We chose projects that might never get done without the upfront infusion of borrowed money; after all, it's impractical to build a new highway in increments. We've also stayed with an underlying goal: a straighter, safer north-south highway.

Our picks:

• Idaho 16. Gem County's population grew by more than 28 percent in the 1990s, according to the U.S. Census Bureau. More than two-thirds of Gem County adults commute to work in another county. Emmett, a burgeoning bedroom community, is fast outgrowing the two-lane highway that connects the town to the rest of the valley.

A four-lane Idaho 16 would be safer than an existing highway that has claimed six lives since 1999. Its connection to Interstate 84, somewhere between Meridian and Nampa, would help move traffic through the booming western end of the Treasure Valley.

• Indian Valley highway. It's time, after a half-century of talking, to build a straighter, quicker highway leading out of the Treasure Valley and toward North Idaho. The new highway would cut 30 minutes off the drive from Boise to Lewiston, the University of Idaho or Coeur d'Alene. That's a benefit for businesses moving products or college students on semester break. A four-lane Indian Valley highway would be safer than U.S. 95 and Idaho 55. Thirty-two motorists died on these two-lane highways between 1999 and 2004.

The plan includes a 25-mile road near the new Tamarack Resort, a tourist destination that promises to create hundreds of jobs and expects to sell some \$1.5 billion in real estate.

The Indian Valley project is no easy call. Residents say the highway would devastate their way of life and a pristine valley rich with big game herds and other wildlife. The highway would forever change Indian Valley; we don't recommend it lightly. But the statewide benefits outweigh the disadvantages. • U.S. 95. Idaho's main north-south highway is so intimidating that many travelers would rather spend their time â€" and their money â€" detouring through Washington, Oregon or Montana to reach Southern Idaho. And with good reason. Fifty people died from 1999 to 2004 on four stretches of U.S. 95 included in

These four stretches need to be widened and straightened. The cost is a daunting \$216 million. Borrowing is the best and quickest way to save lives, improve access to the U of I â€" the state's research institution, help tourists reach destinations in North Idaho, and better link the booming Treasure Valley with the flourishing Panhandle.

The case for restraint

Kempthorne's highway plan.

Kempthorne's plan promises a \$4.3 billion economic impact and roadwork from Canada to Caribou County. Yet some projects are dubious. Even some locals question widening U.S. 95 to the Canadian border, when barely 900 vehicles a day use the stretch, or a third bridge across the Magic Valley's Snake River Canyon, or widening U.S. 20 in Fremont County. These projects give the Kempthorne plan the look of a "Christmas tree," a politician's pejorative term for a spending bill with goodies for everybody.

Other projects have clear merit, such as \$574 million worth of lanes and interchanges on I-84 in the Treasure Valley, or \$105 million to widen the busy Idaho 75 leading to Ketchum. Both projects would spur economic development. A faster-moving I-84 would help move commuters and products through an urban area that boasts of close to half a million people. An improved Idaho 75 would make it easier and safer for visitors and workers to get to Sun Valley, one of the state's most popular tourist destinations. The state should attack these needed projects, piece by piece, to limit Idaho's debts.

We're concerned about the amount of borrowing Kempthorne proposes. With GARVEE bonding, short for Grant Anticipation Revenue Vehicles, the state would borrow today to build roads, and pay the money back with federal money that comes in later. Borrowing costs money. Calling "Connecting Idaho" a \$1.6 billion program is a misnomer; this is a \$3.06 billion commitment over 26 years. Idaho has used debt conservatively and judiciously over the years, and should continue to do so.

We're also concerned that Kempthorne's plan locks too many of Idaho's federal highway dollars into a handful of projects. Idaho expects about \$248.3 million in federal highway money this year. Let's say the funds freeze there. Within a decade, up to 48 percent of Idaho's annual highway funds would go into repaying loans on the Kempthorne highway projects. This would leave the state only \$23 million a year for "pay-as-you-go" road projects from 2014 to 2023.

The Kempthorne administration says Idaho is likely to see ever-increasing federal highway dollars. Maybe so. But we cannot predict what Idaho's pressing transportation needs may be in the year 2023, and we think Idaho would need more than \$23 million of uncommitted money to meet unforeseen needs. By borrowing less money now, Idaho will have more money available later. That's prudent policy. But by borrowing some money now, Idaho will have two new highways it needs to create a safer north-south thoroughfare. That's a good investment in public safety and economic development and a wise use of debt.